

ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE

March 26, 2015

1:33 p.m.

MEMBERS PRESENT

Senator Mia Costello, Chair
Senator Cathy Giessel, Vice Chair
Senator Kevin Meyer
Senator Gary Stevens

MEMBERS ABSENT

Senator Johnny Ellis

COMMITTEE CALENDAR

SENATE BILL NO. 14

"An Act relating to the appointment of a mobile intensive care paramedic to the State Medical Board; relating to medical review organizations; relating to immunity pertaining to automated external defibrillators; and providing for an effective date."

- MOVED CSSB 14(L&C) OUT OF COMMITTEE

SENATE BILL NO. 86

"An Act relating to a refined fuel surcharge; relating to the motor fuel tax; relating to a qualified dealer license; and providing for an effective date."

- MOVED CSSB 86(L&C) OUT OF COMMITTEE

SENATE BILL NO. 2

"An Act relating to a voluntary preference for veterans and for spouses and domestic partners of veterans by private employers."

- MOVED CSSB 2(L&C) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 86

SHORT TITLE: REFINED FUEL SURCHARGE; MOTOR FUEL TAX

SPONSOR(S): SENATOR(S) MICCICHE

03/20/15 (S) READ THE FIRST TIME - REFERRALS
03/20/15 (S) L&C, FIN
03/24/15 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/24/15 (S) Heard & Held
03/24/15 (S) MINUTE(L&C)
03/26/15 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 14

SHORT TITLE: MEDICAL BOARD; MEDICAL REVIEW ORG.

SPONSOR(s): SENATOR(s) COGHILL

01/21/15 (S) PREFILE RELEASED 1/16/15
01/21/15 (S) READ THE FIRST TIME - REFERRALS
01/21/15 (S) L&C, JUD, FIN
03/17/15 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/17/15 (S) Heard & Held
03/17/15 (S) MINUTE(L&C)
03/26/15 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 2

SHORT TITLE: EMPLOYMENT PREFERENCE: VETERAN & SPOUSES

SPONSOR(s): SENATOR(s) WIELECHOWSKI

01/21/15 (S) PREFILE RELEASED 1/9/15
01/21/15 (S) READ THE FIRST TIME - REFERRALS
01/21/15 (S) L&C, STA
03/19/15 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)
03/19/15 (S) Heard & Held
03/19/15 (S) MINUTE(L&C)
03/26/15 (S) L&C AT 1:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

JORDAN SHILLING, Staff
Senator John Coghill
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Answered questions related to SB 14 on behalf of the sponsor.

LARRY SEMMONS, Staff
Senator Peter Micciche
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Reviewed the changes in the CS for SB 86 on behalf of the sponsor.

KEN ALPER, Director
Tax Division
Department of Revenue (DOR)
Juneau, Alaska

POSITION STATEMENT: Reviewed the DOR fiscal note for SB 86.

KRISTIN RYAN, Director
Division of Spill Prevention and Response
Department of Environmental Conservation (DEC)
Anchorage, Alaska

POSITION STATEMENT: Answered questions related to SB 86.

KALYSSA MAILE, Staff
Senator Bill Wielechowski
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Reviewed the changes in the CS for SB 2 on behalf of the sponsor.

ACTION NARRATIVE

[1:33:31 PM](#)

CHAIR MIA COSTELLO called the Senate Labor and Commerce Standing Committee meeting to order at 1:33 p.m. Present at the call to order were Senators Giessel, Stevens, Meyer, and Chair Costello.

SB 14-MEDICAL BOARD; MEDICAL REVIEW ORG.

[1:34:16 PM](#)

CHAIR COSTELLO announced the consideration of SB 14. "An Act relating to the appointment of a mobile intensive care paramedic to the State Medical Board; relating to medical review organizations; relating to immunity pertaining to automated external defibrillators; and providing for an effective date." She noted that this was the second hearing and public testimony was closed. She asked for a motion to adopt the work draft committee substitute (CS).

[1:34:29 PM](#)

SENATOR GIESSEL moved to adopt the proposed CS for SB 14, labeled 29-LS0025\E, as the working document.

SENATOR MEYER objected for discussion purposes.

[1:34:54 PM](#)

WESTON EILER, Staff, Senator Mia Costello, explained that version E: changes the composition of the State Medical Board ("board") by removing one public seat when it sunsets and adding one licensed paramedic; removes the repealer section relating to defibrillators; and amends the effective date to 3/1/2017.

SENATOR MEYER removed his objection.

CHAIR COSTELLO announced that without further objection, version E was before the committee. She advised that she reviewed licensing boards and their membership and found that there are 12 in Alaska that have just one public seat.

SENATOR GIESSEL expressed concern that sunseting one public seat dilutes the voice of the consumer. She assumed that maintaining the current number of seats rather than adding one was done for economic reasons.

CHAIR COSTELLO said the reason for keeping the number the same is to maintain the current balance of medical members. This is in line with other boards and commissions like the Board of Dental Examiners that has eight industry seats and one public member and the Board of Chiropractic Examiners that has four industry seats and one public member.

[1:39:41 PM](#)

SENATOR STEVENS voiced concern that paramedics would be making decisions about licensing and disciplinary actions for physicians. He noted that this wouldn't happen in the university setting.

MR. EILER suggested Mr. Shilling speak to Senator Steven's concern.

SENATOR GIESSEL said she shares the concern that this would diversify the composition of a professional regulatory board.

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JORDAN SHILLING, Staff, Senator John Coghill, stated that paramedics and physicians are two entirely different professions and the relationship is different than between a professor and an associate professor. He said the sponsor feels strongly that if this board is to regulate the paramedics, then they ought to have a voice.

SENATOR GIESSEL questioned how someone who is a pre-hospital professional could understand the issues of a professional who is in the hospital.

MR. SHILLING relied the paramedics similarly might question whether physicians are qualified to regulate their profession without a paramedic voice at the table. He opined that there were probably similar discussions when the legislature initially contemplated adding a physician assistant (PA) to the board.

SENATOR GIESSEL said she could honestly argue for a separate paramedic board.

MR. SHILLING offered his belief that paramedics would be very satisfied to have a board that regulates EMTs and paramedics.

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SENATOR STEVENS asked if physicians have taken a position on the bill.

MR. SHILLING relayed that the physicians who have served on the State Medical Board in the past have been supportive. He noted that the sponsor hasn't heard opposition from physicians other than their guild.

CHAIR COSTELLO noted the committee had documented support from the American Medical Association (AMA) for the current version of the bill. She also pointed out that the 2017 effective date provides a window of opportunity for further discussion, including for a separate board.

[1:45:43 PM](#)

SENATOR MEYER opined that this is the best way forward at this time.

CHAIR COSTELLO noted that the next committee of referral could probably zero the \$7,000 receipts services in the fiscal note in light of the CS.

SENATOR GIESSEL highlighted that the licensees will pay just as they would if it were a separate paramedic board.

CHAIR COSTELLO found no further questions or comments and solicited a motion.

[1:47:34 PM](#)

SENATOR GIESSEL moved to report the CS for SB 14, labeled 29-LS0025\E, from committee with individual recommendations and attached fiscal note(s).

CHAIR COSTELLO announced that without objection, CSSB 14(L&C) is reported from the Senate Labor and Commerce Standing Committee.

[1:47:58 PM](#)

At ease

SB 86-REFINED FUEL SURCHARGE; MOTOR FUEL TAX

[1:49:23 PM](#)

CHAIR COSTELLO reconvened the meeting and announced the consideration of SB 86. "An Act Relating to a refined fuel surcharge; relating to the motor fuel tax; relating to a qualified dealer license; and providing for an effective date." She asked for a motion to adopt the work draft committee substitute (CS)). She noted that this was the second hearing and public testimony was closed. She asked for a motion to adopt the proposed committee substitute (CS).

[1:49:52 PM](#)

SENATOR GIESSEL moved to adopt the CS to SB 86, labeled 29-LS0675\S, as the working document.

CHAIR COSTELLO objected for discussion purposes.

[1:50:18 PM](#)

LARRY SEMMONS, Staff, Senator Peter Micciche, stated that there are three main changes in the CS for SB 86: 1) fuel sold to the state for official use will be exempt from the surcharge; 2) statutory language related to alcohol in fuel was deleted because it is no longer applicable due to a five year limitation and 3) the term "surcharge" was added in Section 6.

CHAIR COSTELLO removed her objection and version S was before the committee.

SENATOR GIESSEL commented that this is a great solution to a long-standing problem.

CHAIR COSTELLO asked Mr. Alper to review the fiscal note from the Department of Revenue.

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KEN ALPER, Director, Tax Division, Department of Revenue (DOR), explained that the DOR fiscal note is the calculated amount, based on past motor fuel filings less exemptions, that would be subject to this surcharge. The estimate is that the surcharge will apply to about 950 million gallons of refined fuel in the first year. At 0.8 cents per gallon, this represents annual revenue of about \$7.7 million, with an estimated 2 percent increase each year thereafter.

SENATOR MEYER expressed hope that this additional revenue would not serve as a disincentive for DEC to pursue those who cause spills. He asked Ms. Ryan to state on the record that she would aggressively go after the "cost causers."

KRISTIN RYAN, Director, Division of Spill Prevention and Response, Department of Environmental Conservation (DEC) stated that this legislation does not change the statutory requirement for DEC to do cost recovery so there will continue to be an expectation that DEC will pursue people who are capable of paying the costs of spill prevention and response.

SENATOR MEYER recalled seeing documentation that the state is a polluter.

MS. RYAN agreed that state-owned contaminated sites are a problem. DEC has tried to address the problem in a variety of ways in the past and some are off the table. For example, the most recent solution was to use general funds to work on those sites but that won't work anymore. DEC is trying to develop a plan that will work for the department and other agencies to make sure that state sites are meeting the same standards that the private entities are expected to achieve.

SENATOR MEYER said he wants to make sure that the State of Alaska doesn't follow the same path as the federal government with the "travesty wells" [in the National Petroleum Reserve-Alaska.]

MS. RYAN replied, "Understood."

CHAIR COSTELLO thanked the sponsor for bringing the legislation forward.

[1:56:25 PM](#)

SENATOR GIESSEL moved to report CS for SB 86, labeled 29-LS0675\S, from committee with individual recommendations and attached fiscal notes.

CHAIR COSTELLO announced that without objection, CSSB 86(L&C) is reported from the Senate Labor and Commerce Standing Committee.

[1:56:49 PM](#)

At ease

SB 2-EMPLOYMENT PREFERENCE: VETERAN & SPOUSES

[1:58:40 PM](#)

CHAIR COSTELLO reconvened the meeting and announced the consideration of SB 2. "An Act relating to a voluntary preference for veterans and for spouses and domestic partners of veterans by private employers." She noted that this was the second hearing.

[1:59:31 PM](#)

SENATOR GIESSEL moved to adopt the proposed CS for SB 14, labeled 29-LS0041\P, as the working document.

CHAIR COSTELLO objected for discussion purposes.

[1:59:57 PM](#)

SENATOR BILL WIELECHOWSKI, sponsor of SB 2, said his staff would explain the changes in the CS.

[2:00:10 PM](#)

KALYSSA MAILE, Staff, Senator Bill Wielechowski, reviewed the changes in the CS for SB 2: 1) the scope of the bill was narrowed to extend the voluntary employment preference to just veterans, not spouses and partners; and 2) the definition of "veteran" was enhanced to include National Guard members and members of reserve units. In response to an earlier question, she confirmed that Coast Guard members are included under the definition of the Armed Forces of the United States.

SENATOR STEVENS expressed satisfaction with the answer.

CHAIR COSTELLO thanked the sponsor for bringing the legislation forward.

[2:01:16 PM](#)

SENATOR GIESSEL moved to report CS for SB 2, labeled 29-LS0041\P, from committee with individual recommendations and attached zero fiscal note.

CHAIR COSTELLO announced that without objection CSSB 2(L&C) is reported from the Senate Labor and Commerce Standing Committee.

2:01:41 PM

There being no further business to come before the committee, Chair Costello adjourned the Senate Labor and Commerce Standing Committee meeting at 2:01 p.m.